

TORONTO STOCK EXCHANGE

LISTING STATEMENT

MAY 3 1955

GRANDUC MINES, LIMITED

(Non Personal Liability)

Incorporated under the British Columbia Companies Act by Certificate of Incorporation dated March 19, 1953

1. Address of the Company's Head Office and of any other offices:

675 West Hastings Street, Vancouver, British Columbia.

2. Officers of the Company:

OFFICE HELD	NAME	ADDRESS	OCCUPATION
President	L. T. Postle	Copper Mountain, B.C.	Manager
Vice-President	W. G. Lane	470 Granville Street, Vancouver, B.C.	Barrister and Solicitor
Secretary-Treasurer	W. G. Gourlay	675 West Hastings Street, Vancouver, B.C.	Clerk
Manager	J. Crowhurst	Stewart, B.C.	Mining Engineer

3. Directors of the Company:

NAME	ADDRESS	OCCUPATION
L. T. Postle	Copper Mountain, B.C.	Manager
Karl Springer	789 West Pender Street, Vancouver, B.C.	Manager
J. Drybrough	135 Portage Avenue, Winnipeg, Manitoba	Mining Engineer
Marcus D. Banghart	14 Wall Street, New York, N.Y., U.S.A.	Mining Engineer
W. G. Lane	470 Granville Street, Vancouver, B.C.	Barrister and Solicitor

4. Names and addresses of all transfer agents:

The Canada Trust Company, 110 Yonge Street, Toronto, Ontario, and
536 Howe Street, Vancouver, B.C.

5. Particulars of any fee charged upon transfer other than customary government taxes:

Transfer fee of 50 cents for each share certificate.

6. Names and addresses of all registrars:

The Canada Trust Company, 536 Howe Street, Vancouver, B.C.

7. Amount of authorized capital: \$4,000,000.00.

8. Number of shares and par value: 4,000,000 shares of the par value of \$1.00 each.

9. Full details of all shares issued in payment for properties or for any other assets other than cash:

June 1, 19531,000,000, of which 240,000 are subject to buy-back option, as set out in item 17 below.	\$1,000,000.00 for the issuance of said shares as fully paid and non-assessable for the following mineral claims situate in Portland Canal Area, British Columbia: <i>Bock</i> , Nos. 1 to 10, both inclusive; <i>Blend</i> Nos. 1 to 4, both inclusive; <i>V.K.</i> , Nos. 9 to 14, both inclusive; <i>Boston</i> , Nos. 1 and 2; <i>Vaughn K.</i> , Nos. 1 to 8, both inclusive; <i>McQ</i> , <i>McQ</i> , Nos. 1 to 3, both inclusive; <i>Lucky Lady</i> Nos. 13 and 16; <i>Leduc</i> , Nos. 1 to 32, both inclusive; <i>Lucky Dog</i> , Nos. 1 to 8, both inclusive; <i>Guardian Angel</i> , Nos. 1 to 4, both inclusive; <i>Mineral Lode</i> , Nos. 5 to 10, both inclusive; <i>Julia Inez</i> , Nos. 1 to 4, both inclusive.
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Total.....1,000,000

This listing statement is a copy of the listing application made by the applicant company. The Exchange has received no consideration in connection with the issue of this listing statement other than the customary listing fee. The papers and exhibits submitted by the applicant company in support of the listing application are open for inspection at the general office of the Exchange.

10. Full details of all shares sold for cash.	<table><tr><th>Date</th><th>No. of Shares</th><th>Price per Share</th><th>Amount realized by Company</th></tr><tr><td>April 16, 1953.....</td><td>5</td><td>\$1.00</td><td>\$ 5.00</td></tr><tr><td>May 20, 1953.....</td><td>200,000</td><td>.75</td><td>150,000.00</td></tr><tr><td>November 30, 1953....</td><td>300,000</td><td>1.00</td><td>300,000.00</td></tr><tr><td>May 30, 1954.....</td><td>60,000</td><td>1.50</td><td>90,000.00</td></tr><tr><td>July 30, 1954.....</td><td>60,000</td><td>1.50</td><td>90,000.00</td></tr><tr><td>October 13, 1954.....</td><td>60,000</td><td>1.50</td><td>90,000.00</td></tr><tr><td>December 7, 1954.....</td><td>120,000</td><td>1.50</td><td>180,000.00</td></tr><tr><td>January 15, 1955.....</td><td>100,000</td><td>2.00</td><td>200,000.00</td></tr><tr><td>Total.....</td><td>900,005</td><td></td><td>\$1,100,005.00</td></tr></table>	Date	No. of Shares	Price per Share	Amount realized by Company	April 16, 1953.....	5	\$1.00	\$ 5.00	May 20, 1953.....	200,000	.75	150,000.00	November 30, 1953....	300,000	1.00	300,000.00	May 30, 1954.....	60,000	1.50	90,000.00	July 30, 1954.....	60,000	1.50	90,000.00	October 13, 1954.....	60,000	1.50	90,000.00	December 7, 1954.....	120,000	1.50	180,000.00	January 15, 1955.....	100,000	2.00	200,000.00	Total.....	900,005		\$1,100,005.00
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Total.....	900,005		\$1,100,005.00																																						
11. Total number of shares issued.	1,900,005.																																								
12. Number of shares now in treasury or otherwise unissued.	2,099,995.																																								
13. Particulars of any issued shares held in trust for the Company or donated for treasury purposes.	Nil.																																								
14. Date of last annual meeting.	February 26th, 1954 (further meeting arranged for April 4th, 1955.)																																								
15. Date of last report to shareholders.	December 31st, 1953.																																								
16. Details of any treasury shares (or shares issued subject to payment or shares held for the benefit of the treasury) now under option or the subject of any underwriting or sales agreement. If none, this to be stated.	<p>By agreement dated October 26th, 1953, The Granby Consolidated Mining, Smelting and Power Company Limited secured options on 2,049,995 shares at prices ranging from \$1.00 to \$2.80 a share. 700,000 optioned shares have been taken up as set out in item 10 above between the dates November 30, 1953, and January 15, 1955, and the balance of the option remaining outstanding is as follows:</p> <p>300,000 shares at \$2.00 a share until July 1, 1956; 400,000 shares at \$2.50 a share until July 1, 1957; 400,000 shares at \$2.75 a share until July 1, 1958; 249,995 shares at \$2.80 a share until December 31, 1958.</p> <p>By an agreement dated November 6th, 1953, The Granby Consolidated Mining, Smelting and Power Company Limited assigned a one-half of all of its rights under the above mentioned agreement dated October 26th, 1953, unto Newmont Mining Corporation.</p>																																								
17. Details of any shares pooled, deposited in escrow, non-transferable or held under any syndicate agreement or control.	240,000 shares, part of the stock issued in payment for properties as set out in item 9 above are held in trust by The Canada Trust Company, 536 Howe Street, Vancouver, B.C., subject to option in favour of The Granby Consolidated Mining, Smelting and Power Company, Limited at \$2.00 a share until July 1st, 1956, and by the said agreement dated November 6th, 1953, Newmont Mining Corporation has the right to acquire 100,000 of the said 240,000 shares at the price aforesaid.																																								
18. Details of any registration with or approval or authority for sale granted by or any filing with a Securities Commission or corresponding Government body.	Registration effected with the Superintendent of Brokers at Victoria, British Columbia, pursuant to the provisions of the Securities Act of the Province of British Columbia.																																								
19. Has any application for registration with or approval or authority for sale by or any filing with a Securities Commission or corresponding Government body ever been refused, cancelled or revoked? If so, give particulars.	No.																																								

20. Particulars of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	Nil.
21. Enumerate fully, giving claim or property numbers, approximate acreage, townships and mining camp or oil field: (a) Properties owned where titles vested in Company. (b) Properties leased. (c) Properties otherwise held. Give particulars of title held by the Company in each instance, (e.g. patented, unpatented, Crown granted, held under mining license, perpetual lease, etc.)	(a) and (c) The Company's properties consist of 148 claims in northern British Columbia covering 7,856 acres, of which 2,265 acres are covered by claims in process of being Crown-granted and the balance are held by location, particulars of which are on file with the Exchange. (b) Nil.
22. Full particulars of any royalties or other charges payable upon production from each individual property.	Nil.
23. Are any lawsuits pending against the Company or any of its properties, or are there any other circumstances which might affect the Company's position or title adversely? If so, explain fully.	Nil.
24. Describe plant and equipment on property.	Temporary camp to accommodate sixty (60) men, compressors, diamond drilling equipment, drifting equipment and transportation vehicles.
25. Describe development accomplished and planned.	Accomplished drifting and cross-cutting—2,965 feet. Accomplished diamond drilling—23,996 feet. Planned for 1955: Drifting and cross-cutting—5,100 feet. Diamond drilling—42,600 feet.
26. Date and author of mining engineer's or petroleum geologist's report filed with this application and available for inspection on request.	Report filed with Exchange by Dr. Wm. Buffam of Toronto, Ontario, dated March 14th, 1955.
27. Full particulars of production to date.	Not applicable.
28. Have any dividends been paid? If so, give dates, per share rate, and amount paid in dollars on each distribution.	Not applicable.

29. Name and address of the solicitor or attorney whose certificate that the applicant is a valid and subsisting company and that the shares which have been allotted and issued were legally created and are fully paid and non-assessable has been filed with the Exchange.	William George Lane, Esq., c.o. Messrs. Guild, Sheppard, Yule & Locke, Barristers and Solicitors, 470 Granville Street, Vancouver, British Columbia.
30. (a) Have any shares of the Company ever been listed on any other stock exchange? If so, give particulars. (b) Is any application for listing the shares of the Company on any other stock exchange now pending or contemplated? If so, give particulars. (c) Has the listing of any shares of the Company ever been refused or deferred on any stock exchange? If so, give particulars.	No. Contemplated listing on Vancouver Stock Exchange. No.
31. Particulars of the principal business in which each director has been engaged during the past five years, giving the length of time, position held and name of employing company or firm.	L. T. POSTLE—President and Manager, The Granby Consolidated Mining, Smelting and Power Company Limited. Four years Manager of East Sullivan Mines Ltd. J. DRYBROUGH—President, Berens Rivers Mines Ltd. KARL SPRINGER—President, Highland-Bell Limited. MARCUS D. BANGHART—Associated with Newmont Mining Corporation. W. G. LANE—Associate of Messrs. Guild, Sheppard, Yule & Locke, Barristers and Solicitors.

Dated at Vancouver, B.C., the 9th day of March, 1955.



GRANDUC MINES, LIMITED
(Non-Personal Liability)
"W. G. GOURLAY", *Secretary-Treasurer.*
"W. G. LANE", *Vice-President.*

STATEMENT SHOWING NUMBER OF SHAREHOLDERS
as of March 3rd, 1955

Number		Shares
113	Holders of 1 – 100 shares.....	8,202
122	" " 101 – 1000 "	52,751
8	" " 1001 – 2000 "	12,870
8	" " 2001 – 3000 "	20,315
4	" " 3001 – 4000 "	13,788
3	" " 4001 – 5000 "	13,915
23	" " 5001 – up "	1,778,164
281	Stockholders	Total shares..... 1,900,005

FINANCIAL STATEMENTS

SUPPLEMENTAL FINANCIAL INFORMATION

Since December 31st, the date of the Balance Sheet published below, the Company has received the sum of \$200,000 from the sale of an additional 100,000 treasury shares as set out in item 10, on page 2, and its cash position and issued capitalization have been increased accordingly.

BALANCE SHEET AS OF DECEMBER 31, 1954

ASSETS

CURRENT ASSETS:

Cash in banks and on hand.....	\$ 70,155.71
Account receivable.....	6,000.00
Prepaid expenses.....	959.30

TOTAL CURRENT ASSETS.....	\$ 77,115.01
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MINERAL CLAIMS, at cost.....	1,015,000.00
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BUILDING, EQUIPMENT AND OTHER FACILITIES, at cost:

Buildings, machinery and equipment.....	\$ 84,734.71
Automotive equipment.....	43,623.40
Roads.....	6,858.35
	<u>135,216.46</u>

EXPLORATION AND DEVELOPMENT EXPENDITURE:

Balance at December 31, 1953.....	\$150,195.78
Add expenditure during the year.....	545,645.45
	<u>695,841.23</u>

INCORPORATION EXPENSE.....	4,288.35
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	<u>\$1,927,461.05</u>
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LIABILITIES

CURRENT LIABILITIES:

Accounts payable.....	\$ 21,098.25
Accrued payroll.....	2,710.63
Due to The Granby Consolidated Mining, Smelting and Power Company, Limited.....	3,647.17

TOTAL CURRENT LIABILITIES.....	\$ 27,456.05
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CAPITAL STOCK:

Authorized—4,000,000 shares of \$1.00 par value per share.	
Issued—1,800,005 shares, of which 300,000 were issued during the year for \$450,000.00.....	\$1,800,005.00

PAID-IN SURPLUS:

Premium on shares issued during the year, \$150,000.00, less discount in previous year.....	100,000.00
	<u>1,900,005.00</u>

	<u>\$1,927,461.05</u>
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NOTE—The Granby Consolidated Mining, Smelting and Power Company, Limited, has options to purchase 1,449,995 shares by various dates to December 31, 1958, at prices ranging from \$2.00 to \$2.80 per share.

Signed on behalf of the Board: "L. T. POSTLE", *Director*.

"W. G. LANE", *Director*.

AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the balance sheet of Granduc Mines, Limited (Non-Personal Liability) as of December 31, 1954, and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion the balance sheet is properly drawn up so as to exhibit a true and correct view of the state of the affairs of the Company at December 31, 1954, according to the best of our information and the explanations given to us and as shown by the books of the Company.

PEAT, MARWICK, MITCHELL & CO.,

Vancouver, B.C., January 29, 1955.

Chartered Accountants.

STATEMENT OF RECEIPTS AND DISBURSEMENTS — YEAR ENDED DECEMBER 31, 1954

RECEIPTS

Sale of 300,000 shares.....	\$450,000.00
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DISBURSEMENTS

Supervision and engineering salaries.....	\$30,792.93
Diamond drilling.....	81,647.57
Drifting.....	80,408.44
Supplies.....	17,257.04
Boarding house.....	28,928.53
Oils, greases and gasoline.....	67,453.00
Surveys.....	39,176.18
Recording, staking, assaying and prospecting.....	4,774.28
Travelling.....	11,840.91
Ventilation.....	20,494.52
Air transportation, not allocated.....	18,063.97
Camp construction and facilities.....	22,222.91
Insurance (including Workmen's Compensation).....	10,280.44
Administration and general expenses.....	9,937.08
Legal and other professional fees.....	2,246.00
Expenses incurred for 1955 operations.....	76,450.20
Buildings, machinery and equipment.....	26,624.08
Automotive equipment.....	23,893.11
Roads.....	6,578.12
	<u>579,069.31</u>
EXCESS OF DISBURSEMENTS OVER RECEIPTS.....	<u>\$129,069.31</u>

SUMMARY OF CASH ACCOUNT

Cash in bank and on hand, December 31, 1953.....	\$199,225.02
Deduct excess of disbursements over receipts.....	129,069.31
CASH IN BANKS AND ON HAND, DECEMBER 31, 1954.....	<u>\$ 70,155.71</u>

AUDITORS' REPORT

We have examined the accounts of Granduc Mines, Limited (Non-Personal Liability) for the year ended December 31, 1954.

In our opinion the statement of receipts and disbursements and summary of cash account shows the financial transactions for the year ended December 31, 1954, according to the best of our information and the explanations given to us and as shown by the books of the Company.

Vancouver, B.C., March 8, 1955.

PEAT, MARWICK, MITCHELL & CO.,

Chartered Accountants.

GEOLOGIST'S REPORT

Report on Property and Development Work

Location and History:

The property of Granduc Mines Limited consists of 148 claims in northern British Columbia. It is situated about 25 miles north-west of the town of Stewart at the junction of the Leduc and Unuk Rivers.

The Company was controlled and financed initially by Granby Consolidated Mining, Smelting and Power Company. In 1953 Granby assigned certain of its options to Newmont Mining Corporation so that each of these companies is now participating equally in the financing of the current exploration of the property.

Development Work:

Underground development work was started in 1953 and an adit was driven for a distance of 830 feet into the mountain. In addition, 4,840 feet of underground diamond drilling was accomplished.

In 1954 the adit was advanced a further 1,100 feet and an additional footage of drilling totalling 19,156 feet was done.

Altogether the underground development work completed to date is as follows:

Drifting—1,930 feet; Crosscutting—1,233 feet; Diamond Drilling—23,996 feet.

Preparations are currently being made to continue the underground exploration of the ore body in 1955. Supplies and equipment are being delivered to the property by tractor-train and plane, and it is expected that work will recommence in April. The present plans include the extension of the No. 1 adit 1,000 feet and the driving of a second adit collared 500 feet vertically above No. 1 for a distance of 2,000 feet. In addition, 2,100 feet of crosscutting will be done. Underground diamond drilling totalling 42,600 feet is proposed from the two adit horizons to test the extensions of the ore shoots. In addition, a series of deep holes directed to investigate the downward extension of the ore deposit to a depth of about 1,200 feet below the No. 1 adit will be drilled from surface.

General Geology:

The rock formations on the property consist of a series of interbedded quartzites and siliceous argillaceous sediments. The ore sediments have been weakly chloritized and sericitized and rendered somewhat schistose parallel to the bedding. The sediments are cut but not markedly offset by a few graphitic fault zones which strike obliquely across the beds.

Economic Geology:

The copper mineralization which consists almost wholly of chalcopyrite is distributed along certain bands of the sediments. Four distinct mineralized zones have been recognized but to date only two of them have been found to contain sufficient copper mineralization to constitute ore. These ore zones have been designated A and D and they have been traced continuously from adit portal to the face of the No. 1 adit. The A zone has an average width of 40 feet and the D zone 125 feet. The average grades of the two ore zones are 1.7% Cu and 1.6% Cu respectively.

Ore Reserves:

The two ore zones at present are estimated to contain approximately 15,000 tons per vertical foot at the No. 1 adit horizon. Insufficient drilling has been done to prove the vertical continuity of this tonnage of ore, but what has been done indicates it is highly probable that ore persists for a vertical range of at least 1,000 feet. If the proposed underground development work is successful in proving this vertical continuity of the ore then approximately 15,000,000 tons would be established within the area presently in the No. 1 adit.

It is estimated that a minimum reserve of 30,000,000 tons of proved and probable ore will be required before detailed plans can be made to place the property in production. This large tonnage is necessary because of the somewhat inaccessible location of the property. It is the writer's opinion that there is a good possibility that the objectives of the present programme will be attained by the completion of the work proposed in 1954.

March 14, 1955.

Signed | "B. S. W. BUFFAM".

CERTIFICATE

I, Basil S. W. Buffam, of the City of Toronto, Province of Ontario, do hereby certify as follows:

- (1) That I am a Mining Geologist presently residing at Toronto, Ontario.
- (2) That I am a graduate of McGill University, Montreal, Quebec, year 1923 and of Princeton University, New Jersey, United States, year 1927 and that I have been practising my profession since that time.
- (3) That I have no interest in Granduc Mines Limited either directly or indirectly, nor do I expect to receive any interest directly or indirectly in the property referred to in the accompanying report or in any securities of Granduc Mines Limited.
- (4) That the foregoing report on the property of Granduc Mines Limited is based on my personal examination of the property which was done in September, 1954.

Dated at Toronto this 14th day of March 1955.

Signed "B. S. W. BUFFAM", B.Sc., M.Sc., Ph.D.,
Mining Geologist.

